

Focus on food fraud



Uncovering **food fraud** along the supply chain

Driven by the complexity of today's global food system, food fraud continues to thrive: **It's a global business exceeding \$50 billion dollars annually**¹. As long as there is profit to be made (and there is), everything from honey and milk to fish and olive oil are at risk for adulteration. Regardless of the level of safety implications or where the vulnerability occurred, suppliers are largely liable for the impact—but everyone in the food industry suffers.

What's keeping food fraud alive?



The food supply chain runs on outdated practices

Today's increasingly complex, fragmented and global food supply chains have led to a steep increase in food fraud.² Regulators are demanding state-of-the-art practices and technology³ to help bring organizations up to standard and ultimately create a more transparent food system.



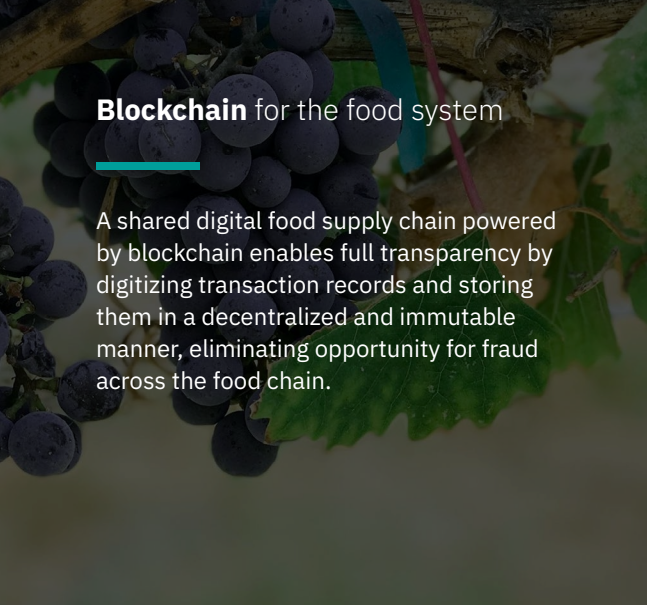
Complex supply chains create blind spots

Many companies simply lack the awareness of where and how they are susceptible to food fraud; however, with up to 10% of the food system affected by food fraud⁴, weak links can occur across raw materials, ingredients, products and packaging.



There is a better way to reduce fraud

Blockchain can enable \$31 billion in food fraud savings globally by 2024 by immutably tracking food across the supply chain, and compliance costs can be reduced by 30%.⁵



Blockchain for the food system

A shared digital food supply chain powered by blockchain enables full transparency by digitizing transaction records and storing them in a decentralized and immutable manner, eliminating opportunity for fraud across the food chain.

End-to-end traceability

Increased surveillance shines a light on each link in the food chain, enabling real-time traceability of food fraud culprits—and creating accountability.

Collaboration

Secure data-sharing between food chain actors eliminates the possibility for participants to move fraudulent foods unknowingly.

Transparency

Improved transparency allows fewer opportunities for fraudsters to penetrate your supply chain, and permanent records enable better management of material safety and quality standards.

IBM Food Trust creates a secure shared, and permissioned record of transactions. This enables unprecedented visibility during each step of the food supply chain, so you can achieve new levels of trust and transparency, making food safer and smarter from farm to fork.

How IBM Food Trust fights food fraud

IBM Food Trust consists of different modules designed to help participants in the food system—producers, suppliers, manufacturers, distributors and retailers—to make their supply chains less susceptible to fraud.

With the **Trace** module, supply chain members can transparently trace food products in the supply chain upstream and downstream, shining a light on the authenticity of both raw ingredients and packaged goods.

Leveraging blockchain and IoT technology, the **Insights** capabilities module can provide unprecedented supply chain visibility to help detect and mitigate fraudulent action.

Additionally, with the **Documents** module, users can share inspections, quality certifications, and registrations, enabling accountability for acquired data at each step.

For more information contact your IBM representative or visit ibm.com/food

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1. <http://fsns.com/news/an-update-on-food-fraud>
2. <https://www.ibm.com/blockchain/resources/food-trust/agriculture-commodities/>
3. <https://theanalyticalscientist.com/fields-applications/piracy-in-the-pantry>
4. <https://www.tracegains.com/blog/the-real-cost-of-food-fraud>
5. [https://www.juniperresearch.com/press/press-releases/blockchain-to-save-the-food-industry-\\$31-billion-b](https://www.juniperresearch.com/press/press-releases/blockchain-to-save-the-food-industry-$31-billion-b)

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